

REMARKS OF
JOSEFINA CARBONELL
ASSISTANT SECRETARY FOR AGING
ADMINISTRATION ON AGING
TO THE
N4A ANNUAL LEGISLATIVE BRIEFING

April 11, 2005

This text is the basis of the oral remarks of the Assistant Secretary for Aging. It should be used with the understanding that some material may be added or omitted.

Introductory Remarks

- Good afternoon!
- It's a pleasure to be with you this afternoon at your annual legislative briefing.
- This is a very important time for our partnership, and I am truly grateful that we have a strong working relationship that better positions us every day to serve elderly people.
- I want to thank the n4a Board of Directors and staff for inviting me to speak with you today. I always look forward to this opportunity to update you on AoA's agenda, and to learn from you about your plans for expanding the services we provide.

- I particularly want to thank Sandy Markwood and her staff for the advice and assistance that they provide all of us throughout the year. I know that they find themselves on the agenda for so many of AoA's activities. We are all in very good hands with their guidance and dedication.

Our Response to the Challenges of Long-Term Care

- It is an honor for me at the Administration on Aging to have the opportunity to continue President Bush's charge to implement his vision for the future of long-term care in this country.
- Through his New Freedom Initiative, the President has charged all of us to create a system of care that reflects the needs and preferences of Americans of all ages with disabilities.
- We are pursuing a system that recognizes the values of consumer choice, control and independence.

- Together as leaders in the service of elderly people, we have encouraged our colleagues in the network, in venues all across the country, to stay focused on the challenges that face us in meeting the needs of the elderly and disabled for long-term care.
- The demand for community-based long-term care is growing and will continue to grow with the aging of the baby boom generation.
- It will continue to grow because elderly people prefer to remain in the community.
- It will continue to grow because it is more cost effective than institutional care.
- At the Administration on Aging, we are looking at ways we can help both our public and private pay clients have more choices for low-cost options in the community.

- This year, \$137 billion will be spent on older individuals receiving paid care. That is approximately \$16,000 for every impaired senior in the U.S.
- Medicaid is the primary funder of this care at 39%. However, private, out-of-pocket expenses account for almost as much, at 36%.
- We are fortunate in this society that long-term care does not cost more because family and other personal caregivers virtually donate care to approximately 95% of all chronically disabled elders living in the community. Without our support of caregivers the costs of long-term care would be even higher.
- You know only too well that you administer the most cost-effective system of community-based long-term care in this country. Yours is the model that we must continue to foster to address this significant and growing cost challenge.

- Together we are addressing the challenges that our long-term care systems have created, in fostering an institutional bias in long-term care, in limiting choice to consumers, and too frequently in making access to care complicated and uncoordinated.
- Together, we have begun to address these challenges.
- The systems change features of the Aging and Disability Resource Centers will provide area agencies and providers with tools, mechanisms and support for integrating care, improving and simplifying access to care, enhancing consumer choice, and reducing the cost of long-term care.
- Even in the early stages of implementation, our ADRC grantees are promoting positive elements of systems change.
- They are taking services to a broader population by expanding services to elderly and non-elderly individuals.

- They are targeting private-pay individuals, in addition to those eligible for publicly-funded services.
- They are creating formal linkages between and among the critical pathways to long-term support, including hospital discharge planners.
- They are developing management information systems that support the functions of the program, including client intake, needs assessment, care plans, utilization and costs.
- And they are establishing measurable performance objectives related to program visibility, consumer trust, ease of access, responsiveness to consumer needs, efficiency of operations, and program effectiveness.
- We are placing the value on consumers – front and center.

- We have expanded our programs to support families in their efforts to care for their loved ones at home in the community, which is essential to making long-term care consumer-responsive, family-oriented, and affordable.
- We have undertaken projects designed to improve the quality of life of millions of older people through health promotion and disease prevention.

Next Steps in Addressing the Challenges

- I could go on and on about what we have started, but I want to talk also about the future. I want to continue our conversation about a vision for long-term care that focuses squarely on the needs and preferences of elderly people.
- You will recall that in Atlanta last year I told you that my vision for long-term care is to have a system in place in every community that provides a meaningful range of service options to older adults and their family members.

- This full range of service options should allow consumers to age in place in their homes and communities, and ensure that those who reside in facilities receive high-quality care.
- I told you that I see us enabling older adults to manage their chronic conditions effectively and to maintain their independence.
- In my vision for long-term care, we will provide targeted health promotion and disease prevention services that will effectively delay and prevent the onset of chronic conditions.
- I envision a balanced approach to long-term care. We will provide innovative and high quality home and community-based services at the same time that we work to delay and prevent the chronic conditions that result in the need for those services.

Reauthorization

- I believe very strongly that the upcoming reauthorization of the Older Americans Act is the premier opportunity of AoA and the Network to modernize and adapt the Act to prepare for the aging of the Baby Boom Generation and to create a new vision of long-term care that reflects all of our hopes for the future.
- The Older Americans Act has always been a tool for us in advancing changes in the larger system of care.
- And now 40 years after its enactment, we have a tremendous opportunity to strengthen our leadership role in a modernized long-term care system.
- The Act can give us an opportunity to better empower the elderly and disabled to make informed choices and to provide the means for them to exercise those choices.
- The Act can also help us to empower middle-aged individuals to plan ahead for their long-term care.

- The Act can help us better target long-term care resources to high-risk individuals.
- And it can be the tool for building prevention into our long-term care services and systems at the community-level.
- Together, we have built the foundation of our nation's system of home and community-based care. Let us work together on the Reauthorization to strengthen that system on behalf of all older people.

Secretary Leavitt

- I think we have also been re-energized by the new leadership in HHS.
- Secretary Leavitt has a vision for HHS that is grounded in the belief that we can be a nation where families embrace the power of prevention and wellness. Where fewer people get sick because they take action to stay healthy.

- In speaking to the nation's governors, Secretary Leavitt said:
"We can improve home and community care. We must ensure that seniors and people with disabilities get long-term care --
where they want it!"
- He said that we **should not force** these people to live in institutions, noting that providing home care is **less expensive** than providing nursing home care. It frees up resources that can help us serve more people.

Medicare Modernization Act

- I am very pleased that the CMS Administrator, Mark McClellan will address you following my remarks. (*Thank him for his leadership*).
- AoA and CMS have established a powerful partnership to ensure that seniors receive the Medicare benefits they need.
- I am sure you will hear today that CMS recognizes the value of the Aging Network, and particularly its capacity to reach elderly people where they live in the community.

- Before we go further, I want to thank n4a, who has been instrumental in mobilizing the area agencies in reaching out to Medicare beneficiaries on the drug card and transitional assistance. Through your leadership, area agencies across the country hosted enrollment events, provided train-the trainer sessions, and were successful in getting the message out.
- It is so important that the people we serve – particularly the frail, the homebound – are able to take advantage of the benefits provided under the MMA.
- Today, I am issuing an alert throughout the Network asking for your assistance with these clients, our neediest. I am asking you to take special care to make sure that your providers are able to respond to their critical need for information and assistance.
- Later today, partners will have the opportunity to register for the types of activities they wish to participate in through an on-line tool on the AoA website.

- These activities include information dissemination, hosting events, and providing one-on-one advice. These partnership activities are natural to us.
- This is the wave of the future. The MMA is changing the way the Medicare program provides health care, not only by including prescription drug coverage, but by increasing the program's focus on prevention.
- CMS has also asked for our support in helping beneficiaries to access important disease management benefits offered by the Medicare Health Support Program.
- This program will help beneficiaries with diabetes and congestive heart failure to reduce their health risks by participating in a voluntary, no-cost care management program.
- We have an opportunity to improve the quality of care for our clients by making them aware of this program, and encouraging those eligible to sign up. Please give CMS your support.

White House Conference on Aging

- I also think that the upcoming White House Conference on Aging is an historic event for all of us in the Network as we address the changing elderly population of the 21st century.
- At the end of the day, because of the advances in technology and hundreds of opportunities for testimony at events around the country, there will be more public input into this conference than any before.
- We are very fortunate to have a new, strong leader in Scott Nystrom, who will serve as Executive Director of the White House Conference. He has hit the ground running. He has many years of experience as senior policy advisor with the U.S. Senate Special Committee on Aging, as a health economist, and at OMB, and I am confident that he will do a terrific job.

Conclusion

- Truly this year will stand out as our window of opportunity to take our programs and services to a new level on behalf of elderly people.
- The opportunity has been made possible by you and those with whom you work every day to serve older Americans in the community.
- I have spoken to you many times about the value of the results you produce, as reflected in the data that you produced to help us document your excellence and your effectiveness.
- I have told you before that the story your data tells has resonated in Washington, and is now providing us the opportunity to serve in even more powerful ways.
- We have come a long way. We're in the ACT! We're on a roll, and WE AREN'T LOOKING BACK!!!!